

ORDINANCE NUMBER 12

SERIES 2007-2008

ORDINANCE OF THE HONORABLE LEGISLATURE OF THE MUNICIPAL OF ADJUNTAS, ARRANGING A READJUSTMENT OF FIVE HUNDRED SEVENTY THOUSAND (\$570,000.00) DOLLARS, WITH THE SURPLUS BALANCE OR SUPERAVIT ENDING JUNE 30 2007; TO CREATE A SPECIAL RESERVE FUND; AND FOR OTHER PURPOSES.

WHEREAS: The Financial Statements audited "Single Audit" of the Municipality of Adjuntas for the period ending on June 30, 2007, reflects a surplus balance of five hundred seventy thousand **(\$570,000.00)** dollars.

WHEREAS: Law No. 81 of August 30 of 1991, as amended, also known as "Puerto Rico Law of Autonomist Municipalities, stipulates in Article 7.009 that: "...by proposal of the Mayor, the Assembly can authorize readjustments in the general budget of the municipalities expenses with the surplus balance that are left after the end of June 30 of each year, after the closing of the budget and having paid the debts charged to said surplus.

WHEREAS: Section eight (8) of the Revised Regulation for Basic Norms for the Municipalities, stipulates that by means of the budget readjustments, the municipality can increase the funds of the existing accounts or create new expense accounts. Paragraph one (1) of said section expands on the relevance of the readjustments with "Surplus Balance" establishes that if the Director of Finances determines, after closing the budget of the previous year and evaluating the municipal operations, that a surplus balance exist, the sum certified as surplus or superavit can be used to readjust the budget of the actual fiscal year.

WHEREAS: The Director of Finances certifies that this organism that the Municipality has determined a surplus ending June 30, 2007; after having closed the budget, having paid the debts charged to said surplus and having audited the financial statement fo the Municipality by an independent firm of external auditors.

WHEREAS: The necessity exist to apply part of this surplus, to create a Special Reserve Fund for projects or administrative expenses necessary in the near future for benefits to all the people of Adjuntas.

WHEREAS: The CRIM has notified the Municipal Government of Adjuntas that there is a reduction in income derived from the estimated income for the fiscal year 2007-2008 in the amount of \$470,402.99.

WHEREAS: it is essential to take the necessary measures so that services given by the municipality to its citizens are not affected.

WHEREAS: Of the amount determined of the balance the municipality proposes the creation of a **Special Reserve Fund for projects and/or general administrative expenses of five hundred seventy thousand (\$570,000.00) dollars.**

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WHEREFORE: IT IS ORDERED BY THE MUNICIPAL LEGISLATURE OF ADJUTNAS, THE FOLLOWING:

1ST SECTION : Authorizes the Mayor, Honorable Jaime H. Barlucea Maldonado, to apply part of this excess to create a **Special Reserve Fund for projects and/or general administrative expenses of five hundred thousand (\$570,000.00) dollars, in the amounts specified below.**

**REDUCTION OF THE AMOUNT OF SURPLUS
BALANCE ENDING ON JUNE 30 2007**

SUPERAVID	01-00-00-70.06	<u>\$570,000</u>
SPECIAL RESERVE FUND	02-0304-94.75	<u>\$570,000</u>

2ND SECTION: The Mayor is authorized to create the items of expenses related to the Special Reserve Fund (02-03-04-94.75), when he estimates the necessity by means of Administrative Resolution.

3rd SECTION: The Director of Finances is authorized to make the corresponding adjustments in the accounting registers under his charge, in order to comply with this Ordinance.

4th SECTION: This Ordinance because of its urgent character will become effective as soon as it is approved by the Municipal Legislature and signed by the Honorable Mayor.

5th SECTION: Copy of this Ordinance will be sent to the State Department, to the Commissioners Office of Municipals Matters and to the Municipal Finance Department for pertinent action.

APPROVED BY THE MUNICIPAL LEGISLATURE OF ADJUNTAS, PUERTO RICO, TODAY THE 11 OF JANUARY OF 2008.

Hon. Enrique Puig Colon (signed)
Presidente

Mrs. Wanda Torres Laracuenta
Secretary (signed)

APPROVED AND SIGNED BY THE HONORABLE MAYOR OF ADJUNTAS, PUERTO RICO, TODAY THE 15 OF JANUARY OF 2008.

Hon. Jaime Barlucea Maldonado (signed)
Mayor

Shield
stamp

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MUNICIPAL GOVERNMENT
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MUNICIPAL LEGISLATURE

CERTIFICATION

I CERTIFY that the previous is an exact copy of the Ordinance Number 12, Series 2007-2008, adopted by the Municipal Legislature of Adjuntas, Puerto Rico, in the Extraordinary Session celebrated on the 11 of January of 2008, unnamed:

“Ordinance from the Municipal Legislature of Adjuntas, stipulating a readjustment of the five hundred seventy thousand (\$570,000.00) dollars, with the surplus balance or superavit ending June 30, 20007; for the creation of a special reserve fund; and other matters”

IN ADDITION, IT IS CERTIFIED, that said Ordinance was adopted with the affirmative votes of the following municipal legislators present in said session:

In favor: Hon. Enrique Puig Colon
 Hon. Arcelio Gonzalez Velez
 Hon. Noralyz Lamboy Lopez
 Hon. Miguel A. Berdiel Rivera
 Hon. Pedro J. Figueroa Lopez
 Hon. Jose A. Alicea Perez
 Hon. Aida M. Rivera Irizarry

Against: None.

Abstain: Hon. Orlando Baez Irizarry

Absent: Hon. David Estremera Andujar

IN TESTIMONY OF WHICH, I sign the present certification and stamp the official seal of the Municipal of Adjuntas, today the 15 of January of 2008.

Secretary of the Municipal Legislature(signed)
Adjuntas, Puerto Rico

(Official seal stamped)